

2005
OPEN ENROLLMENT

November 8, 2004
through
December 13, 2004

Benefits Information
for
Employees Hired Before
October 1, 1987



Government of the District of Columbia
Anthony A. Williams, Mayor

BENEFITS ELIGIBILITY

All full-time permanent employees, part-time permanent employees who generally work at least 20 hours per week, and employees with temporary full-time appointments of at least 13 months who are employed by agencies under the authority of the Mayor are eligible to receive benefits from the District of Columbia Government. In addition, several of the District's independent agencies also participate in the benefits programs provided to agencies under the full authority of the Mayor.

Eligible employees may enroll in plans during the designated annual open enrollment period or within 30 days of their initial employment. Changes to plans can be made within 30 days of a qualifying life event (e.g., marriage, birth of a child). Health benefits coverage begins the first full pay period after the enrollment form is received in your personnel office. Life insurance basic coverage begins the first day you enter on duty, unless you waive your life insurance benefits. Optional coverage begins the first full pay period after the election form is received in your personnel office.

SUMMARY OF BENEFITS FOR EMPLOYEES HIRED BEFORE 10/1/87

Eligible employees hired before October 1, 1987, participate in the Federal Employees' Health Benefits Program, the Federal Employees' Group Life Insurance Program, and the Civil Service Retirement System, which are all administered by the U.S. Office of Personnel Management (www.opm.gov). Additionally, these employees are covered by or may elect to participate in the District's holiday, vacation, and leave programs; the Deferred Compensation Program; the Employee Assistance Program; membership in the District Government Employees Federal Credit Union; and Flexible Spending Accounts. Dental and Optical coverage is also available to nonunionized employees in agencies under the authority of the Mayor and in selected independent agencies, as well as to unionized employees whose compensation agreements include such coverage. There is one new plan this year: Federal Long-Term Care Insurance. We also offer Short-Term Disability Insurance and a 529 College Savings Plan.

OPEN ENROLLMENT PROCEDURES

The Federal Employees' Health Benefits (FEHB) and Flexible Spending Account (FSA) programs' open enrollment period will be **November 8, 2004 through December 13, 2004**. During this time, eligible employees may make changes or additions to their FEHB plans and also enroll in the pre-tax Flexible Spending Account program. Information about how to enroll in the new Long-Term Care Insurance program, 529 College Savings Plan, Short-Term Disability Insurance Program, and the 457 Deferred Compensation Program - DCPlus will be available at the benefits fairs.

If you do not wish to enroll in or change your health insurance plan, you do not have to do anything; your coverage will automatically continue.

To enroll in a new FEHB health plan:

1. Pick up an enrollment form at any of the following locations:
 - D.C. Office of Personnel, Employee Services Center, 441 4th Street, NW, Suite 345 South
 - D.C. Office of Personnel, Reeves Center, 2000 14th Street, NW, 4th Floor
 - Your agency's Human Resources representative
2. Return the completed enrollment form to your agency's Human Resources representative by **December 13, 2004**.

Once you enroll in your chosen plan, additional materials and your plan document(s) will be mailed from the health insurance company to your home address. Keep these materials as reference information to address specific questions regarding overall benefits, limitations and exclusions.

To Enroll in a Flexible Spending Account:

1. Complete the enrollment form provided in this packet.
2. Return the completed enrollment form to your agency's Human Resource representative by **December 13, 2004**.

If you elect to enroll in the Flexible Spending Account program, additional information will be mailed to your home address.

Employees of the following agencies should submit their enrollment forms to one of the offices listed below.

Office of Campaign Finance

2000 14th Street, NW, Suite 420
Washington, DC 20009-4473
(202) 671-0550

D.C. Public Library

901 G Street, NW, Room 423
Washington, DC 20001
(202) 727-5259

Office of the Chief Financial Officer

Government Business and Human Capital
941 N. Capitol Street, NE, Room 1200
Washington, DC 20002
(202) 442-6523

D.C. Public Schools

825 N. Capitol Street, NE, 6th Floor
Washington, DC 20002
(202) 442-5360

Child & Family Services Agency

400 6th Street, SW, Suite 4069
Washington, DC 20024
(202) 727-7040

D.C. Retirement Board

1400 L Street, NW, Suite 300
Washington, DC 20005
(202) 535-1271

Department of Mental Health Services

St. Elizabeths Campus
2700 MLK, Jr. Avenue, SE, Bldg E
Washington, DC 20032
(202) 645-3537

D.C. Sports & Entertainment Commission

2400 East Capitol Street, SE, Room 201
Washington DC 20003
(202) 547-9077 ext. 134

Council of the District of Columbia

1350 Pennsylvania Avenue, NW, Suite 3
Washington, DC 20004
(202) 724-8042

Office of Employee Appeals

717 14th Street, NW, 3rd Floor
Washington, DC 20005
(202) 727-0004

Office of the D.C. Auditor

717 14th Street, Suite 900
Washington, DC 20005
(202) 727-3600

Metropolitan Police Department

300 Indiana Avenue, NW, Room 6029
Washington, DC 20001
(202) 727-4293

Public Employee Relations Board

717 14th St, NW, Suite 1150
Washington, DC 20005
(202) 727-1822

D.C. National Guard

2001 East Capitol Street, NE, Room 112E
Washington, DC 20003
(202) 685-9647

University of the District of Columbia

4200 Connecticut Avenue, NW, Bldg 38, Room 301
Washington, DC 20008
(202) 274-5444

SELECT THE PLAN THAT'S RIGHT FOR YOU

During the FEHBP open enrollment season, which runs from **November 8, 2004 through December 13, 2004**, eligible employees may stay with their current health plan or select a new plan.

All health plans are not the same. To select the health plan that is right for you and your family, evaluate your options by comparing benefits, evaluating the network of providers, reviewing the plan's overall cost—not just the premium, considering the plan's quality, and understanding how the plan works.

The FEHBP has several valuable features, including a choice of health plans and competitive benefits packages, as well as no pre-existing condition limitations or waiting periods.

This year, the U.S. Office of Personnel Management (OPM) announced a new health care option that will, depending on your own health care and financial priorities, give you additional opportunities to save and better manage your hard-earned dollars. Eighteen (18) new High Deductible Health Plans (HDHPs) will be offered in the FEHBP in 2005. These plans, together with a Health Saving Account (HSA) or a Health Reimbursement Arrangement (HRA) provide a new opportunity and additional choices for Federal enrollees. To learn more about HDHPs, visit OPM's website at **www.opm.gov/hsa**.

All FEHBP guides and premium rates are available on the U.S. Office of Personnel Management web site at **www.opm.gov/insure/health**. This web site contains links to specific plan web sites.

If you are not currently covered by an FEHB plan and are planning to retire within the next five years, you may wish to consider enrolling during open season. To continue health coverage after retirement, you must be enrolled in the FEHB for the five years immediately preceding retirement

Four Keys to a Healthier You!

Be physically active every day.

Follow a nutritious diet.

Get preventive screenings.

Make healthy choices.

PRE-TAX BENEFITS PROGRAM

The District is pleased to offer all benefit-eligible employees a variety of pre-tax benefits. Pre-tax benefits increase your take-home pay and lower your annual tax burden by reducing your gross income by the amount of the payroll deductions for flexible spending accounts or health insurance premiums because the deduction amounts are not subject to federal and social security taxes. Participation in the Pre-Tax Benefits Program will not affect your future retirement benefits because those are always calculated using your base salary, not your reduced taxable salary.

Health Care Flexible Spending Account Program (HCFSa)

An HCFSa allows you to plan for and cover eligible out-of-pocket medical expenses on a pre-tax basis, with deductions taken directly from your base salary. These deductions reduce your gross income on your Form W-2 for federal and social security tax purposes. The deductions are put into a special account, which will be used to reimburse participants for covered expenses up to a maximum of \$3,000 annually. All monies unused by December 31, 2005 will be forfeited, according to IRS rules. Enrollment forms (included in this packet) are due by **December 13, 2004**.

Dependent Care Flexible Spending Account Program (DCFSa)

A DCFSa allows you to pay for eligible dependent care expenses on a pre-tax basis, with deductions taken directly from your base salary. These deductions reduce your gross income on your Form W-2 for federal and social security tax purposes. The deductions are put into a special account, which will be used to reimburse participants for covered expenses up to a maximum of \$5,000 annually. All monies unused by December 31, 2005 will be forfeited, according to IRS rules. Enrollment forms (included in this packet) are due by **December 13, 2004**.

Flex America is the administrator of our FSA plan. You can check your account balance, download claim forms and find general information on their internet site at www.flexamerica.com.

Pre-Tax Health Insurance Premium Program

This program allows District employees who have payroll deductions for health insurance premiums to increase their take-home pay, since these payments are not subject to federal and FICA taxes. Enrollment in the program is automatic, but employees may opt out by filing a waiver form during the Health Benefits Program Open Enrollment Period. Waiver forms are available on the D.C. Office of Personnel web site (www.dcop.dc.gov/information/forms_apps/index.shtm), at the Employee Service Center, 441 4th Street, NW, Suite 345 South, or the Reeves Center, 2000 14th Street, NW, 4th Floor.

AFTER-TAX BENEFITS PROGRAM

Direct Deposit of Payroll

Direct deposit is a safe and easy way to have your money electronically deposited into your checking or savings account. The District government encourages all employees to receive their paycheck through direct deposit.

With direct deposit your paycheck gets deposited into your bank account on payday even if you are ill or on vacation. In addition, direct deposit reduces the potential for fraud or hardship due to a lost or stolen check, and it saves you time because you no longer have to stand in line to cash or deposit your check. If you select direct deposit, each payday you will receive an earnings statement in the mail at your home address.

Forms to sign up for direct deposit are available through the Office of Finance and Treasury. It generally takes one payroll cycle to begin receiving your pay via direct deposit.

District Government Employees Federal Credit Union

All District government employees are eligible to join the District Government Employees Federal Credit Union (DGEFCU). The DGEFCU offers online banking and a variety of savings and borrowing options - from IRAs and checking accounts with no minimum balance requirement to auto and home equity loans. All savings are federally insured.

For more information about joining the DGEFCU, please see its website, **www.dgefcu.org**, call (202) 671-1626, or visit the main office at the Reeves Center Main Office, Second Floor, 2000 14th Street, NW, or the Municipal Center Branch Office at 300 Indiana Avenue, NW, Room 328.

Federal Long-Term Care Insurance Program

Long term care is something you may need if you can no longer perform everyday tasks by yourself. For example, there may come a time when you need help getting dressed, eating or bathing. It also includes the kind of care you would need if you had a severe cognitive impairment like Alzheimer's disease. You can receive this care in a variety of settings, including your home, an assisted living facility or a nursing home.

You and your spouse may apply for Long-Term Care Insurance. To apply, you will need to use the full underwriting application, which contains approximately 40 questions. Your parents, parents-in-law, stepparents, and adult children are also eligible to apply for this insurance, even if you choose not to apply.

To learn more about this new benefit and apply for coverage, visit the Federal Long-Term Care Insurance Program website at www.LTCFEDS.com. If you prefer, you may request a hard copy information kit by calling 1-800-LTC-FEDS (1-800-582-3337) or TTY 1-800-843-3557.

Short-Term Disability Insurance Program

All benefits-eligible employees may enroll in the Short-Term Disability Insurance Program. Short-term disability insurance provides income replacement that may be used in conjunction with your annual or sick leave. This program is designed to be flexible - you select the elimination period, how much financial coverage you need and the length of time you want to receive benefits payments.

This program is designed to lessen the financial burden employees may incur from an extended non-work-related injury or illness. Short-term disability insurance specifically addresses absences from work due to one's own health-related reasons. If you have a qualifying medical condition, this insurance provides a partial replacement of your income.

Key Features:

- * Monthly disability benefits of \$400 to \$5,000 (in \$100 increments) subject to income requirement
- * Flexible elimination & benefit periods
- * Income coverage of up to 66 2/3% of your salary
- * Portable - you may continue this coverage after your employment terminates
- * Guaranteed renewable to age 70
- * Once purchased, premiums do not increase with age
- * Worldwide coverage
- * Waiver of premium if you become disabled

During this open enrollment period, you may enroll at the Employee Service Center at Judiciary Square, the 4th floor of the Reeves Center, or at one of the Benefits Fairs. Colonial Life Insurance Company is the short-term disability insurance provider.

Enrollment in the Short-Term Disability Insurance Program will take place through **December 6, 2004**. Deductions for short-term disability insurance are done on an after-tax basis. This assures that any payments you receive from the program are not taxed.

529 DC College Savings Plan

The DC College Savings Plan is open to all DC government employees. It is designed to help families save for future college costs. One person must be named account beneficiary: the beneficiary can be you, a family member or friend, a child or adult. With as little as \$5 per pay period per fund, residents and non-residents can purchase shares at net asset value (that is, no sales fee will be charged) through after-tax payroll deductions. You may choose to invest contributions in a variety of investment options: an age-based fund, which depends on the age of the beneficiary; six single fund investment options; and a stable value product.

All earnings to the account accumulate tax-deferred. Earnings are federal-tax-free as long as the money remains in the account. When assets are distributed to pay for qualified higher education expenses, the distributions are exempt from District, federal, and some states' income tax through the year 2010. (If the U.S. Congress extends tax legislation governing 429 plans, the earnings portion of distributions made after the year 2010 would not be taxable.) D.C. residents may deduct up to \$3,000 in plan contributions from District taxes each year (up to \$6,000 for married couples filing jointly, if each taxpayer owns an account).

You can pick up an enrollment kit from the **Office of Finance and Treasury located at 441 4th Street, NW, Suite 360 North**, or get one from your personnel office. For more information, call Calvert Group Limited toll free at (800) 987-4859 between 9 a.m. and 5:30 p.m., Monday through Friday, or visit the web site at **www.dcCollegeSavings.com**. You may enroll in the 529 DC College Savings Plan at any time.

RETIREMENT BENEFITS

In addition to participating in the Civil Service Retirement System (CSRS), all employees hired prior to October 1, 1987 are also eligible to participate in the 457 Deferred Compensation Plan - DCPlus.

457 Deferred Compensation Plan - DCPlus

DCPlus is a voluntary program that allows you to make tax-deferred contributions into an account established on your behalf. It represents one piece of your total retirement program. All District employees are eligible for DCPlus; there are no age or length of service requirements.

Under DCPlus, you make contributions to the plan by agreeing to defer a dollar amount of your salary. Your deferrals are made on a pre-tax basis, and all your earnings are tax-deferred until benefits are distributed to you or your beneficiary. The minimum contribution is \$20 per biweekly payroll period or \$43 per monthly payroll period.

To enroll in DCPlus, you will need to complete a participation agreement that specifies the amount of your contributions (i.e., “deferrals”) to the plan each payperiod and an enrollment form that specifies your investment choices and beneficiary designation(s).

Sign up for DCPlus by enrolling online or by contacting an ING Financial Advisor onsite at the DC Office of Personnel, 441 4th Street, NW, Suite 345 South, or call (202) 442-9747. For more information, visit the DCPlus website at www.ingretirementplans.com/custom/dc. You may enroll in DCPlus at any time.

FREQUENTLY ASKED QUESTIONS

Health Insurance

Q. Does my health insurance cover all of my family members including my parents?

A. No, group health insurance is solely reserved for you, your spouse and dependents under the age of 22, unless disabled prior to age 22.

Q. What is the difference between in-network care vs. out-of-network care for Preferred Provider Organization (PPO) plans?

A. If you elect to use a health care provider out-of-network, you will be required to pay a deductible per year based on your coverage type. Usually there is no deductible or a significantly smaller deductible for in-network care. In addition, co-payments for out-of-network office visits and services are usually higher.

Q. Is dental and optical coverage included in my health coverage?

A. Yes, dental and vision coverage are combined with the health insurance program that you select. These new plans will not have an impact on the comprehensive dental and optical insurance that some employees may have through either their collective bargaining agreement or through the District. The health plan will typically coordinate benefits with the optical or dental plan to ensure employees are paying the least out-of-pocket expenses possible.

Q. What is a primary care physician?

A. A primary care physician (PCP) is considered a physician with a concentration in Internal Medicine, Family Practice or Pediatrics. In an HMO, all care must be coordinated through your PCP.

Q. What is the difference between an HMO and a PPO?

A. An HMO refers to an organized system of healthcare that provides directly or arranges for a comprehensive range of basic and supplemental health care services on a prepaid and fixed periodic basis. A PPO refers to a type of plan that provides employees with the flexibility of selecting in-network and out-of-network health care providers that provide a comprehensive range of services. This type of plan provides a financial incentive for employees who choose in-network care.

Q. If my employment terminates, can I continue health insurance coverage for my family and myself?

A. Yes, you may continue coverage under Temporary Continuation of Coverage (TCC) or conversion for you and your dependents for at least 18 months, provided you were actively enrolled at the time of termination. TCC is also known as COBRA.

Q. Can I enroll in the health insurance plan at any time?

A. No, you may enroll in the health insurance plan only during the benefits open enrollment period. However, if you have a qualifying event such as a status change, marriage, adoption, or divorce, you may enroll within 30 days of that event.

Q: I want to maintain my current health insurance coverage. What do I need to do?

A. If after reviewing your new health insurance options you decide to continue with your current plan, you do not need to submit any paperwork. Your current coverage will automatically continue.

Flexible Spending Accounts

Q. How do I know if either of the Flexible Spending Accounts is right for me?

A. A flexible spending account is right for you if you have medical expenses that are not covered by your health insurance plan or if you pay for a dependent care program. You can elect up to \$3,000 per year for health expenses and up to \$5,000 per year for dependent care. The elected amounts are deducted from your paycheck in equal installments on a pre-tax basis.

Q. What types of expenses are considered eligible for the healthcare account?

A. A wide variety of items and services may be reimbursable. Examples of items include, but are not limited to: dental, vision and hearing services, medications, co-payments, medically prescribed treatments, and smoking cessation programs. A detailed list is included in the enclosed brochure about the Flexible Spending Accounts.

BENEFITS FAIRS

Meet with staff from the DC Office of Personnel, Employee Service Center, and representatives from the health insurance companies and other benefits plans to obtain more information about your 2005 benefits choices. Additional information and forms are located on the DCOP web site at www.dcop.dc.gov. All employees are welcome to attend any of these fairs:

University of the District of Columbia

Thursday, November 4
10:00 a.m. to 2:00 p.m.
4200 Connecticut Avenue, NW
Student Lounge

Metropolitan Police Department

Friday, November 5
9:00 a.m. to 3:00 p.m.
300 Indiana Avenue, NW
CID/Line-up Room, 3rd Floor

Department of Mental Health

Tuesday, November 9
10:00 a.m. to 2:00 p.m.
64 New York Avenue, NE
5th Floor Training Room

Thursday, November 18
10:00 a.m. to 2:00 p.m.
St. Elizabeths Hospital Chapel
2700 Martin Luther King Jr. Ave, SE

DC Public Schools

Friday, November 12
Monday, November 15
Friday, November 19
4:00 p.m. to 7:00 p.m.
Logan Center Auditorium

Department of Public Works

Tuesday, November 16
10:00 a.m. to 3:00 p.m.
Solid Waste Administration
South Capital Yard

Department of Public Works

Thursday, November 18
Parking Services and Fleet Management
Administrations
West Virginia Avenue, NE Yard

Office of the Chief Financial Officer

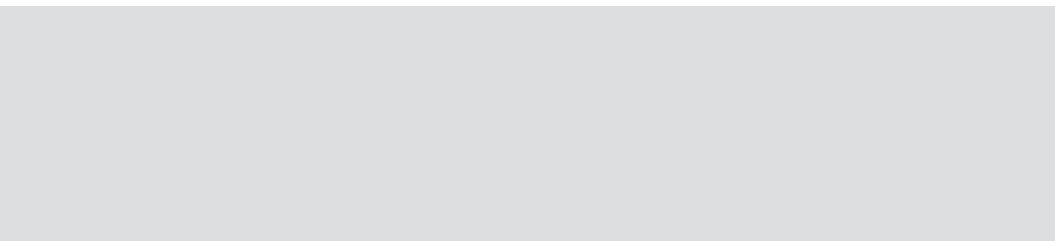
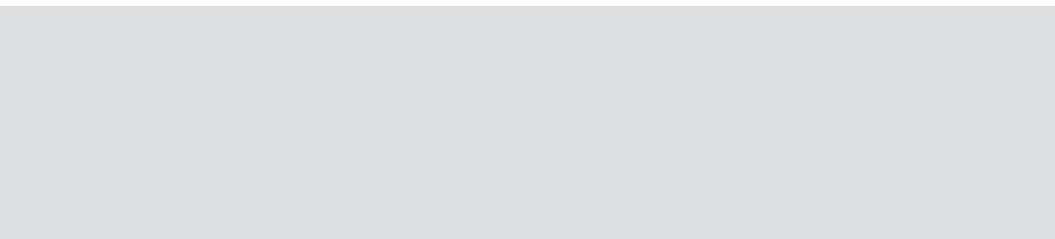
Wednesday, November 22
Thursday, November 23
Friday, November 24
10:00 a.m. to 4:00 p.m.
941 North Capitol Street, NE
Training Room A - 4th Floor

Department of Human Services

Wednesday, November 22
10:00 a.m. to 3:00 p.m.
64 New York Avenue, NE
Office of Human Resources - 5th Floor

Thursday, December 2
10:00 a.m. to 3:00 p.m.
645 H Street, NE
Income Maintenance Administration

Tuesday, December 7
8300 Riverton Court
Laurel, Maryland
Youth Services Administ





DC Office of Personnel
Employee Service Center
441 4th Street, NW, Suite 345 South
Washington, DC 20001
Phone: (202) 442-9655
Fax: (202) 727-5419
Email: benefits@dc.gov
www.dcop.dc.gov